

Indemnification and Insurance Procedure

Subsequent to the Construction Program Procedure Bulletin #99-4 regarding the Contractor Indemnification and Insurance policy, listed below is a set of answers that will assist in reviewing, and consequently accepting, the insurance policy:

A. What to look for?

? An “acceptable” form of insurance

Samples of the acceptable forms for Workers’ Compensation, the Contractor’s General Liability Insurance, and the Additional Insured are attached. In the event that the forms are questionable, contact the Headquarters Progress Payments Coordinator at (916) 654-5676 or CALNET 464-5676. See Attachment A (Liability Insurance), Attachment B (Additional Insured, Form CG2010), and Attachment C (State Compensation Form for Worker’s Comp).

? Minimum liability limits:

Workers’ Compensation and Employer’s Liability Insurance

- (a) \$1,000,000 for each accident for bodily injury by accident
- (b) \$1,000,000 policy limit for bodily injury by disease
- (c) \$1,000,000 for each employee for bodily injury by disease

The Contractor may be using the policy issued by the State Compensation Insurance Fund. The Department’s accepts the form and its liability limit of \$1,000,000 per occurrence, including defense costs.

Liability Limits/Additional Insureds

- (a) \$1,000,000 for each occurrence (combined single limit for bodily injury and property damage)
- (b) \$2,000,000 aggregate for products – completed operations
- (c) \$2,000,000 general aggregate
- (d) \$5,000,000 umbrella or excess liability. For projects over \$25,000,000 only, an additional \$10,000,000 umbrella or excess liability (for a total of \$15,000,000)

The policy must meet parts (a), (b), (c), and (d); otherwise, it is not acceptable.

Automobile Liability Insurance

The Contractor shall carry automobile liability insurance, including coverage for all owned, hired and non-owned automobiles. The policy must have a minimum limit of \$1,000,000.

- B. What if the policy does not meet the specs?

If the policy does not meet the specs, in part or not at all, return the policy to the Contractor with an explanation of why the policy is unacceptable.

- C. Can the Contractor start the job without proof of insurance?

No. The Contractor is not permitted to work if he/she does not have liability insurance, or should the insurance policy lapse or be canceled during the contract period.

- D. If the Contractor fails to maintain the coverage, what then?

Failure to continuously maintain insurance coverage as provided is a material breach of contract.

In the event the Contractor fails to maintain the required insurance coverage, the RE shall request the Contractor to immediately obtain necessary insurance. If the Contractor fails to do so, the RE should contact the insurance carrier to make arrangements to maintain this coverage and charge the expenses to the Contractor.

If these steps do not result in obtaining coverage, contact the Headquarters Construction Program for guidance.

ATTACHEMENT A - LIABILITY INSURANCE

ACORD. CERTIFICATE OF INSURANCE					DATE (MM/DD/YY) 2/15/00
PRODUCER Calco Ins Brokers & Agent Lic. No. 0829370 600 City Pkwy West #500/600 Orange CA 92868-2946 (714) 937-1824			THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.		
INSURED All American Asphalt PO Box 2229 Corona, CA 91718-2229			COMPANIES AFFORDING COVERAGE COMPANY A RLI Insurance Company COMPANY B Hartford Insurance Group COMPANY C Great American Insurance Co COMPANY D HIH America		
COVERAGES THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	RL00001960	8/01/99	8/01/00	GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	CERTHOLDER IS ADD'L INS.			PRODUCTS-COMP/OP AGG \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	PER BLANKET ENDORSEMENT			PERSONAL & ADV INJURY \$ 1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	C62010 ATTACHED.			EACH OCCURRENCE \$ 1,000,000
					FIRE DAMAGE (Any one fire) \$ 50,000
					MED EXP (Any one person) \$
B	AUTOMOBILE LIABILITY	72UENGK5491	8/01/99	8/01/00	COMBINED SINGLE LIMIT \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE \$
	<input checked="" type="checkbox"/> HIRED AUTOS				
<input checked="" type="checkbox"/> NON-OWNED AUTOS					
<input checked="" type="checkbox"/> \$10,000 Ded.					
GARAGE LIABILITY	<input type="checkbox"/> ANY AUTO	N/A			AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
					AGGREGATE \$
C	EXCESS LIABILITY		8/01/99	8/01/00	EACH OCCURRENCE \$ 10,000,000
	<input checked="" type="checkbox"/> UMBRELLA FORM	TUU3577202			AGGREGATE \$ 10,000,000
	<input checked="" type="checkbox"/> OTHER THAN UMBRELLA FORM	TUE2184777			\$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	C000994002	8/01/99	8/01/00	<input checked="" type="checkbox"/> STATUTORY LIMITS
	THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				EACH ACCIDENT \$ 1,000,000
					DISEASE - POLICY LIMIT \$ 1,000,000
					DISEASE - EACH EMPLOYEE \$ 1,000,000
	OTHER	N/A			
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS RE: 07-199004, 07-LA-47,103,103U-VAR - Cold-Plane AC Pavement & Rubberized AC (Type 6), in Los Angeles County in Los Angeles and Long Beach at various locations from Schuyler Heim Bridge to 0.4 KM North of Route 1 *** 10 days notice for nonpayment					
CERTIFICATE HOLDER Department of Transportation Attn: Office Engineer P.O. Box 942874 Sacramento, CA 94274-0001			CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDORSE THE CERTIFICATE WITH 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BY THE SIGNATURE OF AN AUTHORIZED REPRESENTATIVE.		
ACORD 25-S (3/93)			AUTHORIZED REPRESENTATIVE: <i>[Signature]</i> © ACORD CORPORATION 1993 CERTIFICATE: 144/001/ 01311		

ATTACHMENT B – ADDITIONAL INSURED

POLICY NUMBER: RLOOO01960

COMMERCIAL GENERAL LIABILITY

INSURED: All American Asphalt

EFFECTIVE: 8/01/99

THIS ENDORSEMENT CHANGES THIS POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED -OWNERS, LESSEES OR CONTRACTORS (FORM B)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

SCHEDULE

Name of Person or Organization: Any Person, Organization, Partnership or Joint Venture, only if you have previously entered into a contract with such party in which it states that such party shall be an Additional Insured.

The State of California, Department of Transportation, including their officers, directors, agents and state employees.

(

If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" for that insured by or for you.

This insurance shall apply as primary insurance as respects any Person, Organization, Partnership or Joint Venture named above, and any other insurance available to such Person, Organization, Partnership or Joint Venture shall be Excess and not contributory with the insurance afforded by this policy.

RE: 07-199004,07-LA-47, 103, 103U-Var -Cold -Plane AC Pavement & Rubberized AC (Type G)